

**MEETING OF THE SOUTH CAROLINA
STIMULUS OVERSIGHT, ACCOUNTABILITY AND COORDINATION
TASK FORCE
252 Brown Building
March 23, 2010**

I. Call to Order and Adoption of Proposed Agenda:

- The meeting was called to order by Comptroller Richard Eckstrom and State Treasurer Converse Chellis. The agenda was approved as presented.

II. Approval of Minutes of Previous Meeting:

- The minutes of last meeting of January 28, 2010 were approved as presented.

Comptroller Eckstrom discussed his recent trip to Washington to meet with representatives of the administration and the Stimulus leads from other states and made the following points:

- There is not a clear consensus at the Federal level on how the ARRA program is structured and to be administered.
- Federal agencies do not want to go along with the administration's lead on some components of the administration of the ARRA program.
- The administration realizes that state's need relief from some of the administrative requirements Federal agencies are imposing.
- Legislation has been introduced in Congress to assist the states but is not progressing.

III. Working Group Reports and Actions

**Reporting and Guidance Working Group – Frank Fusco
(See Reporting and Guidance Handout Dated March 23, 2010)**

Items Outlined 1st Page of Handout:

- Continuous QA
- Reporting Frequency
- Next Quarterly Reporting
- Reporting Naming Convention
- Fraud Hotline
- Stabilization Fund

Other Attachments to Handout:

- Reporting Timeline and Activities.
- Enhancements for April 2010 Reporting Period.

Other Items Discussed:

- The point was made that there is not a good mechanism to recover any funds for meeting central state government ARRA requirements, but the Group will continue to work on this matter.
- Concerns were expressed on what will be done about the cost of auditing if the State Auditor does not receive the necessary funding for ARRA related audit work.
- OMB continues to issue ARRA Guidance documents and these are distributed to Task Force members as they are available.
- The State Energy Office will now report monthly starting April 30th based on the requirements of the US Dept. of Energy.
- SC Dept. of Transportation has been reporting monthly from beginning of ARRA and is required to report monthly on its other Federal funding.

Accounting Working Group – Jennifer Muir

This group has not had a need to meet since the last Task Force meeting.

- Group has worked significantly with the Reporting and Guidance Working Group to develop policy and procedures.
- All STARS and SAP agencies have drawn down all Stabilization Government Services money.

Audit/Verification Working Group – Rich Gilbert

This group has not had a need to meet since the last Task Force meeting.

- Group has been in contact with the two federal agencies and was told they would be visiting the SC Agriculture Dept.
- Indications are we will have to continue to use existing resources to perform ARRA related auditing and do the best possible to meet Federal audit deadlines.

Web Site Working Group – Scott Houston

This group has not had a need to meet since the last Task Force meeting.

- Group has worked with the Reporting and Guidance Working Group and the Accounting Working Group on the reports to be loaded on the website.
- The web site is now live with reports from last quarter and 1512 revised reports are also available on the site.

Open Discussion:

There was a general discussion of various reporting issues.

DHEC experienced some problems in the second quarter reporting with sub recipients' uploads failing which seemed to be related to the need to enter the last four digits of zip codes and congressional districts. The second quarter reporting was more difficult than first quarter.

Mr. Holly passed on the following information to the Task Force:

State Agencies Unemployment Fund

- Federal Government has extended benefits to 99 weeks and US Dept. of Labor is absorbing this cost for private employers but not for state and local government employers.
- State agencies and institutions should expect that unemployment premiums likely will be significantly higher for next fiscal year based on the extended benefits and state employee layoffs.

Chris Huffman – Dept. of Commerce:

- Spoke about green jobs training.
- Federal Representative working on definition of green jobs.
- Commerce has a green jobs grant.
- Grant does not run out until 2011.

Paul Jarvis – State Treasurer's Office:

- Make sure funds are drawn as program expenditures.
- Need money in proper accounts before checks are drawn.

IV. Stimulus Funds Received/Expended by State Agencies and Institutions:

Listing of funds spent through March 23, 2010
(See Handout)

V. Other Business

There was not additional business.

VI. Adjournment

The meeting was adjourned by acclamation.